Sprint

October 19, 2011

Via Electronic Submission

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th St., SW, Room TW-A325
Washington, DC 20554

Re: Ex Parte Communication
WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; and GN Docket No. 09-51

Dear Ms. Dortch:

Yesterday, Charles McKee, Michael Fingerhut, Chris Frentrup and I, all of Sprint Nextel Corp., met with Margaret McCarthy to discuss intercarrier compensation and USF reform.

On the subject of traffic pumping, Sprint urged the Commission to adopt strict measures to eliminate or minimize traffic pumping schemes. Specifically, Sprint urged the Commission to adopt the proposals contained in Sprint's Comments and Reply comments in this proceeding as well as in numerous ex parte meetings with Commission staff. These measures include:

- declaring that revenue sharing (both inter-carrier and intra-company) is an unlawful practice; *see* Sprint's April 1, 2011 Comments at 12 (the deleterious and well-documented effects of "improper revenue sharing agreements" are "obviously contrary to the public interest.");
- affirming previous FCC decisions which found that calls for which there was no terminating end user do not constitute access traffic and thus are not subject to access charges; *see* Sprint's April 1, 2011 Comments at 9-12;
- clarifying that pumped calls which are not access traffic may not be assessed access charges by any LEC at the terminating end (either a tandem service provider or the terminating LEC); *see* Sprint's April 1 Comments at 17; and
- declaring that, to the extent that a LEC is allowed to assess a charge for pumped traffic, such rate must be set at the lowest intercarrier compensation rate charged by an ILEC in the state; *see* Sprint's April 1 Comments at 13-19 (urging the adoption of the current reciprocal compensation rate of $.0007 once the 3:1 trigger is met).[1]

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[1] In its April 1 Comments (at 20-21), Sprint recommended that CLECs engaged in traffic pumping be subject to mandatory detariffing. In fact, the Commission has already proposed to "to establish complete detariffing for all non-ILEC providers of interstate access services." *Hyperion Telecommunications, Inc. Notice of Proposed Rulemaking*, 12 FCC Rcd 8596 (1997); *Commission Asks the Parties to Update and Refresh the Record on Mandatory Detariffing of CLEC Interstate Access Services, Public Notice*, 15 FCC Rcd 10181 (2000). Plainly, the public interest would be served if the Commission were to adopt its proposal in the *Hyperion* rulemaking and thereby prevent tariff pumping CLECs from exploiting the tariff filing process to engage in uneconomic arbitrage.

Consistent with its filings in the above-captioned proceedings, Sprint also urged the Commission to adopt high-level rules to require incumbent LECs and their affiliates that offer retail broadband voice services to negotiate IP voice interconnection agreements in good faith; to reject proposals to assess access charges on VoIP services, or, if such a rule were adopted, to make clear that the new rule would be prospective only; to reject proposals to deregulate LECs in situations in which they retain market power; to control and reduce the size of the high-cost/broadband USF; and to attach public interest obligations (*e.g.*, in the case of wireline facilities, the provision of backhaul from supported facilities at forward looking economic costs) to receipt of any broadband subsidies.[2]

Pursuant to Section 1.1206 of the Commission's Rules, a copy of this letter is being filed electronically in the above-referenced dockets. If you have any questions, please feel free to contact me at (703) 433-4503.

Sincerely,

/s/ Norina T. Moy

Norina T. Moy
Director, Government Affairs

C: Margaret McCarthy

[2] *See, e.g.*, Sprint comments dated August 24, 2011.